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9 Attorneys for Many PG&E Fire Victims

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11 **UNITED STATES BANKRUPTCY COURT**  
12 **NORTHERN DISTRICT OF CALIFORNIA**  
13 **SAN FRANCISCO DIVISION**

14 In Re:  
15 PG&E CORPORATION  
16 and  
17 PACIFIC GAS & ELECTRIC COMPANY,  
18 Debtors.  
19  
20  
21

Bankr. Case No. 19-30088-DM

**JOINDER OF MANY PG&E FIRE  
VICTIMS IN TCC'S MOTION TO  
SUPPLEMENT DISCLOSURE  
STATEMENT**

Date: April 7, 2020

Time: 10:00 a.m.

Place: U.S. Bankruptcy Court  
Courtroom 17, 16<sup>th</sup> Floor  
San Francisco, CA 94102

22  
23 **1. Joinder In TCC's Motion**

24 The undersigned represents many persons and businesses harmed by the 2017 Atlas  
25 and Redwood Valley Fires and the 2018 Camp Fire. All have filed claims with this Court,  
26 and all join in the Tort Claimants Committee's motion to supplement the disclosure  
27 statement by letter.  
28

1 The supplemental disclosure is necessary because the promises made by PG&E to  
2 fire victims in its Disclosure Statement are not secure and may well be illusory. PG&E is  
3 already angling to make its first cash deposit in December, not August, of this year. PG&E  
4 will transfer less than \$6.75 billion in stock to the fire victim trust, and the stock's value will  
5 not be protected from early sale by institutional investors or unforeseen market conditions  
6 brought on by the coronavirus.

7  
8 A plan cannot be accepted or rejected unless the holders of claims are provided  
9 "adequate information" about the plan. (11 U.S.C. section 1125(b).) "Adequate  
10 information" means information of a kind, and in sufficient detail, that would enable a  
11 hypothetical claimant to make an informed judgment about the plan. (11 U.S.C. section  
12 1125(a)(1).) A fire victim's informed judgment about PG&E's plan requires disclosure that  
13 PG&E's promises are not as represented in the Disclosure Statement.  
14  
15

16 Given the necessity for adequate information in the Disclosure Statement and the  
17 paramount position section 1125 occupies in the Chapter 11 process, there is little, if  
18 any, room for harmless error. A materiality standard, focusing on the information  
19 needed by a "hypothetical reasonable investor typical of holders of claims or  
20 interests of the relevant class," 11 U.S.C. section 1125(a)(1), itself distinguishes the  
21 inconsequential from the significant.

22 In Re Crowthers McCall Pattern, Inc., 120 B.R. 279 (S.D.N.Y. 1990)

23 In other words, confirmation of PG&E's plan will be open to question should the Court  
24 refuse disclosure of the important facts contained in the TCC's letter.

25 The case law teaches that a disclosure to creditors should include the following:

26 [1.] Any financial information, valuations, or *pro forma* projections that would be  
27 relevant to creditors' determinations of whether to accept or reject the plan; and

28 [2.] Information relevant to the risks being taken by the creditors and interest  
holders.

In Re Ferretti, 128 B.R. 16 (D.N.H. 1991.

The information contained in the TCC's letter falls within these guidelines. There is no prohibition against supplementing a disclosure statement as conditions require.

The opposition of one lawyer group opposing the TCC's efforts to inform their clients about the risk of PG&E's plan is unfortunate. The TCC is charged with serving the best interests of all tort claimants, and no lawyer group can legitimately claim to know how its clients will vote. The one news article attached to the opposition claiming "nearly unanimous" approval of the plan raises eyebrows and is contradicted by numerous articles highlighting growing questions about the plan. Fire victims have the right to vote, not their attorneys. Voting has just begun, and many fire victims have not yet received ballots. And the voting procedures approved by the Court permit fire victims to change their vote.

The TCC's motion must be granted.

Dated: April 6, 2020

/s/ Thomas Tosdal  
Attorney